SECOND REGULAR SESSION

HOUSE BILL NO. 1983

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE LADD BAKER.

Read 1st time February 19, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

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AN ACT

To repeal section 208.040, RSMo, and to enact in lieu thereof one new section relating to earned income disregards for temporary assistance benefits.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 208.040, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 208.040, to read as follows:

208.040. 1. Temporary assistance benefits shall be granted on behalf of a dependent child or children and may be granted to the parents or other needy eligible relative caring for a dependent child or children who:

- (1) Is under the age of eighteen years; or is under the age of nineteen years and a full-time student in a secondary school (or at the equivalent level of vocational or technical training), if before the child attains the age of nineteen the child may reasonably be expected to complete the program of the secondary school (or vocational or technical training);
- (2) Has been deprived of parental support or care by reason of the death, continued absence from the home, or physical or mental incapacity of a parent, and who is living with father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew or niece, in a place of residence maintained by one or more of such relatives as the child's own home, and financial aid for such child is necessary to save the child from neglect and to secure for the child proper care in such home. Physical or mental incapacity shall be certified to by competent medical or other appropriate authority designated by the division of family services, and such certificate is hereby declared to be competent evidence in any proceedings concerning the eligibility of such claimant to receive aid

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to families with dependent children benefits. Benefits may be granted and continued for this reason only while it is the judgment of the division of family services that a physical or mental defect, illness or disability exists which prevents the parent from performing any gainful work;

- (3) Is not receiving supplemental aid to the blind, blind pension, supplemental payments, or aid or public relief as an unemployable person;
 - (4) Is a resident of the state of Missouri.
- 2. The division of family services shall require as additional conditions of eligibility for benefits that each applicant for or recipient of aid:
- (1) Shall furnish to the division the applicant or recipient's Social Security number or numbers, if the applicant or recipient has more than one such number;
- (2) Shall assign to the division of family services in behalf of the state any rights to support from any other person such applicant may have in the applicant's own behalf or in behalf of any other family member for whom the applicant is applying for or receiving aid. An application for benefits made under this section shall constitute an assignment of support rights which shall take effect, by operation of law, upon a determination that the applicant is eligible for assistance under this section. The assignment is effective as to both current and accrued support obligations and authorizes the division of child support enforcement of the department of social services to bring any administrative or judicial action to establish or enforce a current support obligation, to collect support arrearages accrued under an existing order for support, or to seek reimbursement of support provided by the division;
- (3) Shall cooperate with the divisions of family services and of child support enforcement unless the division of family services determines in accordance with federally prescribed standards that such cooperation is contrary to the best interests of the child on whose behalf aid is claimed or to the caretaker of such child, in establishing the paternity of a child born out of wedlock with respect to whom aid is claimed, and in obtaining support payments for such applicant and for a child with respect to whom such aid is claimed, or in obtaining any other payments or property due such applicant or such child. The divisions of family services and of child support enforcement shall impose all penalties allowed pursuant to federal participation requirements;
- (4) Shall cooperate with the department of social services in identifying and providing information to assist the state in pursuing any third party who may be liable to pay for care and services available under the state's plan for medical assistance as provided in section 208.152, unless such individual has good cause for refusing to cooperate as determined by the department of social services in accordance with federally prescribed standards; and
- (5) Shall participate in any program designed to reduce the recipient's dependence on welfare, if requested to do so by the department of social services.

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3. The division shall require as a condition of eligibility for temporary assistance benefits that a minor child under the age of eighteen who has never married and who has a dependent child in his or her care, or who is pregnant and otherwise eligible for temporary assistance benefits, shall reside in a place of residence maintained by a parent, legal guardian, or other adult 56 relative or in some other adult-supervised supportive living arrangement, as required by Section 403 of P.L. 100-485. Exceptions to the requirements of this subsection shall be allowed in accordance with requirements of the federal Family Support Act of 1988 in any of the following circumstances:

- (1) The individual has no parent or legal guardian who is living or the whereabouts of the individual's parent or legal guardian is unknown; or
- (2) The division of family services determines that the physical health or safety of the individual or the child of the individual would be jeopardized; or
- (3) The individual has lived apart from any parent or legal guardian for a period of at least one year prior to the birth of the child or applying for benefits; or
- (4) The individual claims to be or to have been the victim of abuse while residing in the home where she would be required to reside and the case has been referred to the child abuse hot line and a "reason to suspect finding" has been made. Households where the individual resides with a parent, legal guardian or other adult relative or in some other adult-supervised supportive living arrangement shall, subject to federal waiver to retain full federal financial participation and appropriation, have earned income disregarded from eligibility determinations up to one hundred percent of the federal poverty level.
- 4. If the relative with whom a child is living is found to be ineligible because of refusal to cooperate as required in subdivision (3) of subsection 2 of this section, any aid for which such child is eligible will be paid in the manner provided in subsection 2 of section 208.180, without regard to subsections 1 and 2 of this section.
- 5. The department of social services may implement policies designed to reduce a family's dependence on welfare. The department of social services is authorized to implement these policies by rule promulgated pursuant to section 660.017, RSMo, and chapter 536, RSMo, including the following:
- (1) The department shall increase the earned income and resource disregards allowed recipients to help families achieve a gradual transition to self-sufficiency, including implementing policies to simplify employment-related eligibility standards by increasing the earned income disregard to two-thirds by October 1, 1999. The expanded earned income disregard shall apply only to recipients of cash assistance who obtain employment but not to new applicants for cash assistance who are already working. [Once the individual has received the two-thirds disregard for twelve months, the individual would not be eligible for the two-thirds

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disregard until the individual has not received temporary assistance benefits for twelve consecutive months.] The department shall promulgate rules pursuant to chapter 536, RSMo, to implement the expanded earned income disregard provisions;

- (2) The department shall permit a recipient's enrollment in educational programs beyond secondary education to qualify as a work activity for purposes of receipt of temporary assistance for needy families. Such education beyond secondary education shall qualify as a work activity if such recipient is attending and according to the standards of the institution and the division of family services, making satisfactory progress towards completion of a postsecondary or vocational program. Weekly classroom time and allowable study time shall be applied toward the recipient's weekly work requirement. Such recipient shall be subject to the sixty-month lifetime limit for receipt of temporary assistance for needy families unless otherwise excluded by rule of the division of family services;
- (3) Beginning January 1, 2002, and every two years thereafter, the department of social services shall make a detailed report and a presentation on the temporary assistance for needy families program to the house appropriations for social services committee and the house social services, Medicaid and the elderly committee, and the senate aging, families and mental health committee, or comparable committees;
- (4) Other policies designed to reduce a family's dependence on welfare may include supplementing wages for recipients for the lesser of forty-eight months or the length of the recipient's employment by diverting the temporary assistance grant.

- The provisions of this subsection shall be subject to compliance by the department with all applicable federal laws and rules regarding temporary assistance for needy families.
- 6. The work history requirements and definition of "unemployed" shall not apply to any parents in order for these parents to be eligible for assistance pursuant to section 208.041.
- 7. The department shall continue to apply uniform standards of eligibility and benefits, excepting pilot projects, in all political subdivisions of the state.
- 8. Consistent with federal law, the department shall establish income and resource eligibility requirements that are no more restrictive than its July 16, 1996, income and resource eligibility requirements in determining eligibility for temporary assistance benefits.